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6 UNITED STATES BANKRUPTCY COURT
7 WESTERN DISTRICT OF WASHINGTON
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9 In re

10 V S INVESTMENTS ASSOC LLC,

11 Debtor.
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No. 20-11541

DECLARATION OF YOUNG-MI PETTEYS
IN SUPPORT OF UNITED STATES
TRUSTEE'S MOTION TO CONVERT OR
DISMISS CHAPTER 11 CASE

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14 I, Young-Mi Petteys, declare under penalty of perjury, as follows:

15 1. I am more than 18 years of age and am competent to testify to the matters set
16 forth below.

17 2. I am a Bankruptcy Analyst employed by the Office of the United States Trustee
18 ("UST").
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20 3. My duties for the UST include, but are not limited to, reviewing and analyzing
21 schedules and statements of financial affairs, monthly financial reports, and other relevant
22 documents or records relating to the financial affairs of debtors in bankruptcy. I also conduct
23 initial debtor interviews ("IDI") in chapter 11 cases, the purposes of which include obtaining
24 information about the debtors, informing them of their financial reporting and quarterly fee
25 obligations, and ensuring that they have appropriate insurance, and that their bank accounts are
26 collateralized if necessary. I reviewed the petition, schedules, and the Statement of Financial
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1 Affairs (the “SOFA”) filed in this case. I have also reviewed the documents submitted to our
2 office in this case.

3 4. I have personal knowledge of the facts set forth herein and, if called as a witness,
4 I would testify competently thereto. This declaration is filed in support of the Motion by the
5 United States Trustee to Convert or Dismiss Chapter 11 Case.
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7 5. V S Investment Assoc LLC (the “Debtor”) filed a voluntary petition under chapter
8 11 of the Bankruptcy Code on May 29, 2020.

9 6. On June 1, 2020, I set a date for the IDI and sent an email to Debtor’s counsel
10 informing him of the IDI, and the local rule requirement regarding proof of insurance. Per Local
11 Rule 2015-1(b)(2), all insurance documents are to be received in our office seven days after
12 filing, which was June 5, 2020. Our office received proof of insurance for real property located
13 at 319 75th Street SE, Units A-J, Everett and commercial general liability insurance for the
14 Debtor in a timely manner.
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16 7. On June 15, 2020, the Debtor filed the balance of its schedules and SOFA.
17 According to the Debtor’s Schedule A/B, it owns real property located at 2463, 2465, 2467, and
18 2469 South College Street, Seattle, WA 98144.
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20 8. On June 17, 2020, I held an IDI via telephone. The Debtor was represented by
21 Viktoriya Stelmakh and Valentin Stelmakh, who are the two members/owners of the Debtor.
22 Brad Puffpaff, counsel for the Debtor, also attended. Along with general information regarding
23 the case, I discussed the Debtor’s responsibility to maintain adequate insurance during the
24 pendency of their chapter 11 case. I stated that after a review of the Schedules, it appears that I
25 have not received proof of insurance for the real property located in Seattle. Mr. Puffpaff stated
26 that there is forced placed insurance on the property and the Stelmakhs are actively looking to
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1 purchase insurance for the Debtor. But, due to COVID-19 closure issues, they were having
2 trouble getting a response. However, the Stelmakhs stated that they were confident that they
3 would have the insurance in place soon.
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5 9. On June 17, 2020, I sent an email following the IDI regarding insurance on the
6 Seattle property. I stated that the proof of insurance must be received Monday, June 22, 2020 by
7 the close of business. If proof of insurance is not received our office will file a motion to dismiss
8 the Debtor's case due to lack of adequate insurance.

9 10. On the morning of June 23, 2020, I received an email from Mr. Puffpaff stating
10 that the Debtor found an insurance company and is in the process of securing said insurance.
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12 11. As of this declaration, our office has not received proof of insurance for the
13 Debtor's property located in Seattle.

14 The foregoing statements are true and correct to the best of my knowledge.

15 DATED this 25th day of June, 2020.

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17 /s/ Young-Mi Petteys
18 YOUNG-MI PETTEYS
19 Bankruptcy Analyst
20 Office of the United States Trustee
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